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ABSTRACT

The system for long-range planning at West Virginia University is described, with emphasis on how it relates to short-range planning and how it is carried out operationally. Planning tools used include (1) an inventory of the past and present of the institution, (2) a statement of the division of labor within the institution and the objectives of the institution and each of its components, (3) forecasts of the future, and (4) special studies. The system permits the application of PPBS (planning, programming, budgeting, and evaluation systems) and zero base budgeting techniques if and to the extent that they are desired. Specific planning offices and their functions are described, such as the Office of Institutional Research, Office of the University Architect, Office of Facilities Analysis and Utilization, and the University Council on Planning. The significance of maintaining flexibility and staff cooperation in decision making is also discussed. (LBH)

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College and University Long-Range Planning

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I know many persons feel that long-range planning is so "long range" and apt to be so theoretical that it does not really deserve much more than sincere lip service. Then there is the other group of persons who do not want to be tied down by planning. They are characterized by the executive who says, "Anyone can plan, but it takes a great leader to leap from crisis to crisis." I am also very conscious that the acid test of any long-range planning activity in which you engage has to be: "Does the institution allocate resources ultimately on the basis of the long-range plan?"

I say these things by way of introduction because I know the problems of credibility which are faced by any system of long-range planning. I suspect that they are the same problems faced by my counterparts on other campuses. I realize you are quite familiar with them. Therefore, I wish to emphasize it is our intention at West Virginia University that our system of long-range planning be "down to earth" and as practical as possible. A planner must live with the notion that "an ounce of application is worth a thousand pounds of theory." However, anyone in the planning business for very long soon learns that systems which are conceptually sound and well-based in theory have the highest probability of being the most universally relevant and practical. If you would like to frame questions concerning these very vital points, I would be most pleased to hear them. One of the reasons I enjoy speaking to groups like this one is not so much that I can tell you what we are doing at WVU, but rather that we can learn from what your experiences have been in the same field.

Taking a broad view to begin, it is not our intention to deal only with the WVU system because it was not our desire in developing the system that it be applicable only to West Virginia University. I think that the system we have, and the assumptions and concepts on which it is based, have applicability in many kinds of institutions. Indeed, my own background is in business administration. I also have served in municipal government and so I have consciously tried to pull together planning concepts from government, industry, and higher education. With that brief introduction to lay the overall groundwork on which the WVU program is based, I will now present the system for long-range planning at West Virginia University. Then, so you can see how the long-range plan ties into short-range planning, we will go through another short session that shows you how we put together our annual plan for operations.

Those of you who have read the literature on management science recognize the following as one standard approach to describing the activities of all kinds of managers—whether they be in business, education, or government. Namely, a manager is charged with the job of planning, organizing, and motivating subordinates, and then controlling—control in the sense of evaluation of performance against objectives. You see the planning activity is crossed out on the slide. This is because one of the handicaps to my particular function is that of all the activities of a manager the one most easily postponed and indeed the one most frequently postponed is the planning function—a very understandable phenomenon. The reason for postponement of planning is that managers like you and like me face a mountain of routine activities and deadlines every day. Faced with the pressures of those day-to-day deadlines and routine, we very naturally put off our responsibilities for planning.

Many organizations have established something called a Planning Office after recognizing the fact that of all the activities of a manager, the one most frequently postponed is planning. In establishing a Planning Office, an institution cannot give it the responsibility for "planning." If that is done, it merely increases the inertial force which compels managers to put aside the planning function in the first place. That is, the managers of the institution see that some group is charged with planning and, therefore, say to themselves, "Not only is it difficult for me to get to do any planning, but thank goodness someone else is going to do it for me."

Well, if the function of a planning office is not to plan; indeed, what does it do? The functions of a planning office are: to develop planning tools, to see that planning gets done, and to see that planning gets done well, (a quality control function). Let us look at each of the functions, one at a time; first, "to develop planning tools." Up to now at WVU we have established four different kinds of planning tools. All of them are alike in one way, that is, they provide a common understanding and a common basis for planning among the 500 or so managers charged with looking to the future of WVU.

The tools that we have put together are: first, an inventory of the past and present of the institution; second, a statement of the division of labor within the institution and the objectives of the institution and each of its components; third, forecasts of the future; and, fourth, a catch-all group that we will call, special studies. Let us look at the first, a common understanding of the past and the present. Each year the Planning Office publishes a booklet entitled *Statistical Profiles of West Virginia University* through which the recent history and operating data on WVU are described in six of their facets. These six are: scope of the mission; programs; student body; faculty and staff; resources; and facilities. The past is but a prologue to the future and the usefulness of this planning tool is that the 500 or so managers working throughout the institution all have approximately the same perspective on history, a stance which is very useful to one charged with coordinating an institution-wide planning effort.

The second planning tool is one which provides a common understanding about the division of labor within the institution, as well as the objectives of each component. Each of the 45 major units of the University is represented

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in this publication which is produced every other year, and which is entitled *WVU Organization*. To be specific, every dean and director is charged with describing both the conceptual and operational objectives of his or her unit. Phrased in terms of output, the conceptual objectives are meant to describe the general direction in which units intend to move during the planning period. The operational objectives, also expressed in output terms, are meant to serve as mileposts along the way against which one can measure progress toward the accomplishment of the conceptual objectives. The organization charts included in the booklet are a bit unusual. They do not describe who reports to whom, nor do they describe channels of communication. Rather, they describe where programs are located in the institution; that is, the institutional division of labor expressed in terms of which unit is responsible for accomplishing which objectives of the institution. This tool helps eliminate unnecessary overlap and everyone is thus informed concerning program responsibilities. Parenthetically, the program definitions are tied to the Budget Information System, thus tying the planning, programming, budgeting, and evaluation systems (PPBS) together. The system, therefore, permits the application of PPBS and zero base budgeting techniques if and to the extent that they are desired.

The third planning tool includes the set of forecasts on which all decisions are based at WVU. The forecasts are published annually in a booklet entitled *Planning Assumptions for West Virginia University*. The forecasting and planning period extends to at least the next decennial census so as to permit the use of benchmark data provided from an independent source, the Federal government. Like the description of the institution's past, the forecasts deal with six facets of the institution; namely, scope of the mission; programs; student body, faculty and staff; resources; and facilities. In addition to the above, each of the 45 major units within WVU is asked to put together a companion piece that includes planning assumptions on the same topics for its part of the institution. All of these assumptions about the future are reviewed by the President's Office, published, and every part of the institution knows what every other part has indicated that it plans to do. Again, this tool provides a common understanding about the future of WVU for our managers, all of whom are charged with planning.

The fourth planning tool is made up of a set of special studies carried out by the three units which make up the WVU Planning Office. These units are: the Office of the University Architect, which is headed by a registered professional architect and includes two architects in training, a registered professional engineer, two drafting specialist, and a secretary; the Office of Institutional Research, led by a person with a doctorate in higher education administration and which includes a financial analyst, two statisticians, two data processing specialists, a research technician, and two secretaries; and the Office of Facilities Analysis and Utilization. This latter unit manages all space scheduling and allocation plans and is headed by a person with considerable experience in the field, and includes two other professional-level persons, a space inventory specialist, a data processing specialist, and a secretary.

The Office of Institutional Research in the Planning Office completes about 30 to 40 special studies per month, mostly at the request of individual managers. These may be very routine things like a report for the College of Arts and Sciences on the number of "F" grades reported per year by course, a statistic that may be useful to a particular department doing curriculum planning. Or, the Office of Physical Plant may ask for a study on the staffing patterns of similar units in comparable institutions. Of all the special studies, the campus development and land-use plan is the most useful one for the type of planning members of the SRAPPAUC are doing. By far, the most important aspect of the development and land-use planning maps now on display and, indeed, the most important characteristic of the other planning tools shared with you thus far, is that all facilities planning at WVU is based on *program* planning. The program planning comes first and, yet, all planning is coordinated. There is no separate office for program planning, no separate office for academic planning, and no separate office for facilities planning. The program planning is done first and the facilities planning falls out as a result.

Concerning WVU facilities, the Morgantown campuses comprise about 800 acres of land, 85 buildings, and over 5,000,000 square feet of space. The University campus area—including the farms, experiment stations, and forests—literally surrounds the community. In turn, the campus is bounded on the west by the Monongahela River and, from the river, the terrain rises 800 feet, so that the campus and the community are nestled in and on top of a hill. Because of the terrain, the close proximity, and the use of multiple campuses, the University and the town must work closely together. As a result, a few years ago the planning office initiated regular meetings with the city planning commission, the county planning commission, and the new regional planning council. Given this close relationship, University planners do not feel embarassed nor out of place in speculating about what things ought to be done, for example, concerning regional and local vehicular circulation planning and these thoughts are shared with the community. Morgantown has a population of about 30,000 persons. Of those about 18,000 persons are associated in some way with the University of whom about 15,000 are students. There are less than 20 or so streets in Morgantown on which someone related to the University does not live. Of course, many staff members and students live outside the city limits in nearby communities.

The second function of a planning office is to see that planning gets done. To understand the approach to this task, one must review the reason that planning does not get done in the first place. To repeat the hypothesis made earlier: "The reason for postponement of planning is that managers like you and like me face a mountain of routine activities and deadlines every day. Faced with the pressures of the day-to-day deadlines and routine, we very naturally put off our responsibilities for planning." The only way a planning office can overcome the pressure of routine activity and see that all managers get appropriately involved in planning is to make planning a part of that routine. This requires development and implementation of a very tight schedule for all planning activities. The objective is to make deadlines for thinking about and reporting on the future just as important as deadlines for preparing reports about the past.

To accomplish this, some organizations employ the Program Evaluation Review Technique (PERT) [illegible]

comprehensive schedule of planning activities is passed out to all deans and directors at the beginning of the planning period relating day to day, and on some days hour by hour, what sessions related to planning will be held and who will be taking part in the discussions. That is, each of the steps in the process is laid out in advance, subject, of course, to change as events unfold.[1] There is a schedule for developing the annual plan and operating budget request; another for putting together the expenditure schedule after funds are received; a third for the capital improvements plan; another for planning all repairs and alterations projects; and another for personnel planning. Some activities in the process are unique to WVU, but overall the system is believed to have rather general applicability. Again, the detailed schedules are designed to merge planning into the manager's routine and make the point that the deadlines for reporting on the future and thinking about the future are just as important as the deadlines for reporting about the past.[2]

The third planning function of a planning office is what was referred to earlier as the quality control function; that is, to see that planning gets done well. One problem in finding out whether planning has been done well is that if it is really for the long-range, there is a good chance that those involved will not be around to see the results. As a consequence, the planning office must develop proxies for reviewing the actual results of planning and these call for the use of probability. Stated simply, there is a higher probability that planning done in a systematic and orderly manner will be successful planning, as compared to that which is done on an ad hoc or random basis. Planning which has the greatest participation by the persons who will have to implement it will have a higher probability of success than that which is not attended to by those who will have to implement it. Attention to the need for a systems approach to planning has already been demonstrated. The notion of participatory planning begs a question. With over 1,200 faculty members, approximately 4,000 other employees, and 20,000 students, how does a planning office achieve meaningful participation by those who should be involved?

At WVU, participation comes about through a unit called the University Council on Planning. The University Council on Planning is chaired, ex officio, by the Provost for Planning. There are nine members from the faculty and three members from the student body, all of whom are recommended by the University Senate to the President. The Senate recommends two persons for every position. The President selects one. These persons do not have constituencies and they are meant to be University statespersons. Part of the function of the Council is to provide a broad perspective on University affairs and issues in higher education generally for its members. This function is accomplished through regular briefings on a variety of topics. Most important, however, the members of the Council are not called upon to be planners. Rather their function, as members of the student body and faculty, is to bring the perspective of their situation in the University to the considerations of the long-range future of the University.

I brought along a slide showing the members of the Planning Council for an important reason. If you look all the way in the back on the right-hand side, you will see two persons seated. The one on the left with his back to the chalkboard is the University Architect: the one on the right with his back to the corkboard is the Director of Physical Plant. These two persons serve as ex officio members of the Planning Council. They attend every meeting of the Planning Council and take part in its deliberations. They sit in on the program discussions of the faculty and members of the student body, and this is the beginning for tying together facilities planning with program planning. If this marriage does not occur, it seems unlikely that a Director of Physical Plant or a University Architect, whether one reports to the other, or whether they work independently—as they do at WVU—could ever meaningfully do his or her job, especially the parts of the job that have to do with the long run.

Planning done in a systematic manner and with appropriate involvement by those who will take part in its implementation has a higher probability of being successful than that which does not. It is suggested that these standards are appropriate tests of the quality of ongoing planning activities.

If an organization is to have participation it must be substantive in nature. At WVU careful attention is given to three things related to participation. The first is that persons from the faculty and student body who work with planning must be thoroughly immersed in what is going on. As mentioned earlier, members of the University Council on Planning are briefed regularly on topics related to higher education—nationally, and on down through the local situation. Emphasis also is given to involve members of the Council with the managers. For example, whenever any of the deans and directors are visited relative to their planning reports, a member of the faculty or student body goes along. In the case of the Director of Physical Plant, I remember well that the last visit with him on his statements of objectives was chaired by an associate professor of English.

The second foundation of sound participation is that students and faculty members should work with a period of time over which their recommendations can have some bearing. The appropriate time frame will vary according to the topic and there are two extremes: one is that a planner should not come before a group and ask them to deliberate over the next century; at the same time, a real "no-no" is to come before a faculty and student group and tell them something was decided yesterday and ask if the decision meets with their approval.

The third foundation for effective participation in planning is administrative allegiance to the planning process. This standard of behavior guarantees that all program proposals are evaluated by the same process. Even if managers want to make changes to plans in mid-year, the proposed changes go through the same decision-making process as the original plans went through the first time. In

[1]The schedules described herein constitute a modified version of the Program Evaluation Review Technique. Similar substantial modifications have been made in the use at WVU of Planning, Programming, Budgeting Systems, Zero-Base Budgeting, and Management by Objectives. The feeling at WVU is that each of these techniques is useful in planning but rarely ever in its pure form and never if used exclusively as a substitute for a comprehensive planning effort.

[2]Copies of the WVU planning schedules are available on request.

that way, as much as possible, the priorities of the institution consistently govern decision-making.

There is no document called a Master Plan at West Virginia University. One can tell a master plan on any campus simply by brushing aside the cobwebs and the dust on its cover. Rather, at WVU the attempt is to have a set of documents that are living and used—documents that get revised annually or biennially at the latest, all on the basis of feedback from current accessments of their vitality.

Long-range planning does not amount to very much unless it can be plugged into a short-range plan for operations, and unless the persons working with planning see that it has something to do with the allocation of resources within the institution. The next part of this presentation deals with the manner in which the annual plan for operations naturally follows from the long-range planning process described above.

We hear a lot of terms used interchangeably but it will be useful in understanding what follows if we begin by distinguishing between a budget and a plan.

A budget is but a translation of a plan into numbers. Managers do planning; persons with technical training in accounting do budgeting. And, it is important that plans be translated into a budget because through that translation, planning becomes more adaptable to data processing, management information systems, and to the application of the techniques of quantitative analysis. Again, a budget is but a numerical representation of a plan.

The operation of the short-term planning system we are considering can best be understood by going through a typical fiscal year and examining each of the steps in the planning process as it unfolds.

Assume that it is now June, 1975 and, at this time, the institution has just put together its annual plan and concomitant operating budget for 1975-76. The objective is to develop a plan for operations for 1976-77 and then to translate that plan into a budget for the same year. Early in June, the 45 deans and directors are called together to receive certain planning materials including instructions for the preparation of their annual report for 1974-75. The annual report consists of a description of how well each of the 45 major units of the University accomplished the objectives that are published in the booklet *WVU Organization.* Other planning materials received by the deans and directors at this time include: the revised edition of the *WVU Planning Assumptions* through the next decennial census year, the statements of objectives on which the annual report is based, the planning assumptions prepared by each component part of the institution, and miscellaneous data related to unit productivity—especially in the academic areas. Starting with that common understanding of the past, present, and future, and assuming that planning has been a year-round process, the deans and directors collect their thoughts and begin to report their plans.

At this time, any guidelines received from the Board of Regents also are distributed. These often provide some indication of the range of the possible allocation of funds for the year and thus they are shared with the deans and directors. The guidelines from the Board of Regents include: a formula for calculating full-time equivalent (FTE) enrollment, a formula for FTE faculty required to handle the calculated FTE enrollment, an average salary for professionals and non-professionals, and, usually, some parameters for total staffing or expenditures by function. The Board of Regents intends for the above to be a funding formula and not a staffing directive. That is, the formulas determine the institution's allocation of dollars but are not meant to determine how the funds are applied within the institution except perhaps for the parameters established in any allocation by function.

The list of functions or chart of accounts by which the Board of Regents manages expenditures is as follows:

1. General Administration and General Expense.
2. Student Services.
3. Instruction.
4. Community, Public and Extension Services.
5. Organized Research.
6. Libraries.
7. Maintenance and Operation of Physical Plant.
8. Sponsored Research.
9. Auxiliary Enterprises—Intercollegiate Athletics.

This approach to managerial accounting for higher education is similar to the approach apparently pioneered by the American Council on Education and seems to apply best to teachers colleges and small, four-year institutions which concentrate on the liberal arts. Frankly, it is difficult to describe a major university within the scope of this chart of accounts.[3] Therefore, at WVU one of the design criteria for information systems is that the data be usable within the context of the Board of Regents' chart of accounts, a chart of accounts judged appropriate by institutional standards, and a third one that is used by the State of West Virginia in its own, but still separate, accounting system.

Under the umbrella of the above parameters, each dean and director develops a priority-ordered list of proposals which includes proposals for new programs, proposals for upgrading present programs, and proposals for cutback or deletion of present programs. This is as close as the system gets to program budgeting. All the activities of the University are budgeted by program and input/output data are produced by program.[4] As is typical, the cost data are better than the output data. However, the users of the system are encouraged to apply qualitative judgments to outputs as necessary and without apology. There are many who feel that just because a problem can be represented mathematically that it can be solved using quantitative analysis. In higher education, the above is often a *non-sequitor.*

In July, every dean and director has a personal conference with members of the President's Office Staff at which the annual report is reviewed along with all program

[3]This dilemma confronts similar efforts. For instance, the National Center for Higher Education Management Statistics recently recognized that its Program Classification Structure and Information Exchange Procedure do not, in certain respects, adequately suit the needs of complex research universities. A special task force has been appointed to study the problems involved.

[4]As used here, the word "program" is not synonymous with the term "degree program." Rather the term describes any recognizable group given a definable task to perform with specifically allocated resources. Depending on how a unit is organized this could be the paint shop in Physical Plant, the University offering in elementary English composition, or an entire academic department.

proposals and their proposed priority order. The review constitutes a form of zero base budgeting in that every existing program in the plan and budget of each unit also is examined at that time whether it is proposed by the manager for consideration or not.

Also in July, after having received all the proposals from the deans and directors, the President's Office Staff meets as a group and reviews them in light of the University-wide decision criteria which have come out of the planning documents. As a result, proposals are chosen for inclusion in the annual plan for the University and placed in order of priority by Board of Regents' function. After the decisions are made, the proposed plan for operations is translated into an operating budget request.

In September, the proposed plan and budget are presented to the Board of Regents after which a briefing on both the plan and the budget is given to all deans and directors so that they may know the disposition by the University of the proposals they made either for new programs or for program upgradings, deletions, or cutbacks. At this point, every dean or director has received a formal response to what was proposed by his or her unit. They also know what has happened to everyone else's proposals and so they get an explicit feel for institutional priorities and for the manner in which the planning documents are being implemented by the President's Office.

One of the hallmarks of the WVU planning system is its flexibility. While there is strict allegiance to the planning process, the planning process provides for flexibility. The President's Office Staff meets once a week to receive from the deans and directors any proposed changes to the plan for the current year. In addition to the weekly review of changes in planning, all deans and directors receive a budget status report monthly. If the plan has been accurately translated into a budget, it follows that a report on the latter can be translated back into a report on the status of the implementation of the plan.

In reviewing the requests for changes to plans, the President's Office has available, by function and in priority order, a list of all the proposals that were approved but unfunded during the year. In that way, if someone submits a proposal for more groundskeepers, as an example, at mid-year it is evaluated *vis-a-vis* the decision criteria that were used in developing the original plan, and also *vis-a-vis* any other proposals, campus-wide, that also were approved but unfunded. The assurance given to each dean and director is that any proposed change in the annual plan receives the same type of review as the plan received originally.

In March, before the time that decisions concerning funding have been made, the deans and directors are given an opportunity to finely tune their plan. In effect, this amounts to an occasion to reasses all previously made statements of priority. For this purpose, they receive a copy of all of their program proposals that were approved for inclusion in the annual plan, as well as a copy of any proposals for changes in their plan which were approved during the year. In addition, at this time, a full nine months after the start of the fiscal year and three months before the beginning of the next fiscal year, the deans and directors have an opportunity to propose programming ideas that may have occurred to them since the beginning of the planning period. When all proposals have been received, the President's Office reviews the priorities for the institution and puts together, by function, a new, priority-ordered list of proposals for the entire University based on what the deans and directors have submitted.

In April of the fiscal year, an allocation of funds is received from the Board of Regents. Using the priority-ordered list of programs mentioned above, as well as any guidelines received from the Board, the President's Office makes a decision on how much will be spent by function and, then—in a sense—buys off the top of the list of program priorities. At this point, the proposed comprehensive plan is reviewed with the deans and directors for their comment and, shortly afterward the last decisions are made and a final version of the annual plan is produced. This plan is then turned over to the Budget Office where it is translated into a budget. The budget document generally consists of 96 pages of numbers. When the translation is complete, usually sometime in May, the proposed annual plan and operating budget are submitted to the Board of Regents for review. As anyone can guess, within a few days, the process of short-range planning, covering the next fiscal year, begins again.

In closing, it is important to reinforce a point made earlier. At WVU we have nothing like a Master Plan. Rather, there is a group of planning documents that deal with the long term and which get revised annually or biennially at the latest. And, if these documents dealing with the long term do not affect the short-range planning and short-range resource allocation, then the entire planning system has missed the boat. However, at WVU we do not intend to miss that boat.